

Bruce Halstead, US Fish & Wildlife Service
 1125 16th Street, Room 209
 Arcata, CA 95521
 fax (707) 822-8411

And

John Munn
 California Department of Forestry
 1416 Ninth Street
 Sacramento, CA 95814
 fax (916) 653-8957

Re: Elk River Property and the Headwaters DEIS/EIR

Dear Directors:

These comments are specifically directed to elements of the Headwaters Forest DEIS/EIR having to do with the South Fork of the Elk River (SFER) and Elk River Timber Company-Red Emmerson (ERTC) holdings involved with this process. My concerns are directed to the issue of reserve design identified by the Alternatives section of the DEIS/DEIR and the incongruity therein between the proposed Alternatives and the legislative mandate of the authorization language contained in the 1998 California legislation A.B. 1986. Alternatives proposed by the DEIS/DEIR do not reflect the intent the state legislature in H.R. 1986 and therefor do not reflect alternatives developed to protect the economic priorities of the State of California within this transaction. Without a minor reevaluation of the lands to be transferred to Maxxam/PL the State of California will suffer a significant loss of economic potential. Specifically, under SEC. 5 (a) the language states that the \$80 million allocated for the purchase of the Owl Creek Tract:

" To the extent funds allocated pursuant to this section remain after the purchase of the 'Owl Creek' Tract, those funds may be reappropriated for the acquisition, at fair market value, of the tracts known as the "Elk River Property" and the previously unlogged ancient Douglas Fir forestland within the Mattole River watershed."

This language was included in the A.B. 1986 to correct a problem with the original Reserve design established by the preliminary Agreement of September 28, 1996. This original design proposes to have a private entity retain an in-holding in an otherwise publicly owned wildland. The significance of this in-holding was identified by the State Legislature in response to concerns of its constituency regarding the need for a reevaluation of the reserve design to protect the SFER watershed and to secure public ownership of a watershed based reserve and a feasible management unit. Local concerns around this issue in particular focus on the recognition of the values which are at stake in this very unique and sensitive watershed. The South Fork of the Elk River including the second growth forests of Elk River Timber Company is one of the most intact redwood watersheds in existence and is therefor a valuable resource for both environmental and economic values.

The South Fork of the Elk River has been identified as the most feasible public access into the Headwaters Reserve and access values will be impaired by the current Reserve design. Public retention of the 1,000-acre tract will remedy this situation.

According to the terms of the both the State and Federal appropriation language for the Headwaters Forest, the public will be purchasing 15,000-acres, most of which lies in the upper SFER drainage. This provides the opportunity to protect a appropriate management unit comprising a significant portion of the upper watershed in this taxpayer funded environmental protection effort. The alternatives under the DEIS/EIR have failed to address the intent of A.B. 1986 by not evaluating this alternative

Please respond as to why this alternative was not addressed. Have the Agencies addressed the ramifications of a industrial in-holding in a wildlife reserve? What was the criteria used to determine the best design for

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the protection for the Headwaters Forest would be to leave a 1,000-acre in-holding in the publicly owned reserve? Please also justify the criteria used to determine that it would be in the best interest of the public to allow Maxxam Corp. to retain this in-holding? This question is especially pertinent when it is clear that some of the most intact forest habitat and viable buffer within the identified reserve lie in this proposed Maxxam in-holding and State and federal monies will be going to purchase the area. Similarly, important values associated with this proposed Maxxam in-holding include economic benefits for the **development of** visitation facilities for the city of Eureka and **Humboldt County's growing dependence on a tourist economy.**

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If this 1,000 acres is not publicly retained, this action will constitute an significant oversight on the part of the Agencies. The reserve design of the preferred Alternative #2 has remained static since they were first proposed in 1996 following the September agreement of that year and is not consistent with the stated intent of the DEIS/EIR to: "seek(s) to protect the largest blocks of the highest quality habitat for marbled murrelet and northern spotted owls, as well as stream habitat for fish and amphibians." The forest in the area of the Maxxam in-holding has been described as the first marbled murrelet habitat to come on line in the next century and, in it's current condition, already provides some of the best spotted owl habitat for a 30-mile radius. The South Fork of the Elk River contains the fifth strongest population of Coho salmon in the State of California and pending timber operations (THP 1-97-520 Hum in the Maxxam in-holding area) will have significant impacts to this important population. THP 520 (within the proposed reserve) alone encompasses 705-acres of the in-holding area and adjoins the Headwaters Forest Preserve acquisition boundary for more than 5 miles. The THP boundary comes 1/4 mile from the Headwaters Grove and parallels the South Fork of the Elk River for more than 2.5 miles. The 60 to 100 year old trees in this THP comprise some of the largest, oldest expanse of second growth forested wildlands in Humboldt County proximal to one of the largest stands of ancient redwood forest in the world. If this plan is operated it will cause a significant embarrassment to the agencies entrusted to carryout this transaction. Why was this area not identified for protection under an alternative under the DEIS/EIR and what measures are being developed to restrain timber operations until the appraisal required under the AB 1986 can be conducted?

The unique qualities of the South Fork of the Elk River are inadequately addressed in the DEIS/EIR. This lack of project description expects the public to be ridiculously naive. The struggle for the ecological well being of this watershed has been particularly long standing and focused on its protection. \$380 million in public funds has been allocated for the acquisition and the entire 9,600-acres of Elk River Timber Company lands are included in this transaction. A.B. 1986 provided funding for the acquisition of the Maxxam in-holding and measures must be taken by the agencies to ensure the area is not degraded before appraisal process for this acquisition can be completed. From a public resources protection vantage leaving a private in-holding in a public reserve is not biologically or sociologically consistent.

Significant public resource values were not evaluated during this preliminary design process and must be re-addressed during the approval process for the FEIS/EIR. It is the charge of the agencies evaluating resource protection measures of the \$480 million deal to provide subsequent feedback regarding the criteria used to develop the reserve design for the South Fork of the Elk River watershed and what changes must occur in this reserve design in order to maximize benefits for the public's investment.

I am noted as the author of the Recreation portion of the Headwaters Stewardship Plan and hold the draft prescriptions for recreational management of the area. This information is pertinent to planning decision making for the future management of the reserve and is available upon request.
Sincerely,

David M. Walsh
P.O. Box 903
Redway, CA 95560
(707) 923-3015

CC: Sen. Mike Thompson, Sen. Dianne Feinstein, Ass. Virginia Strom-Martin, Sen. Byron Sher
Humboldt County Board of Supervisors, Richard Wilson-CDF, Douglas Wheeler-CRA Patrick Rutten-
NMFS, Richard Wilson-CDF